
APHRODITE GOLD LIMITED
ACN 138 879 928

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at the office of RMS Australia Pty Ltd, 116 Harrick Road, Keilor Park, Victoria, on Tuesday 25th November 2014 at 11.00am (AEDT).

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter contact the Company Secretary on +613 9600 3599

APHRODITE GOLD LIMITED

ACN 138 879 928

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of Aphrodite Gold Limited (**Company**) will be held at the office of RMS Australia Pty Ltd, 116 Harrick Road, Keilor Park, Victoria on Tuesday 25th November 2014 at 11.00am (AEDT) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Sunday 23rd November 2014 at 11.00am (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 10.

AGENDA

Annual Report

To table and consider the Annual Report of the Company for the year ended 30 June 2014, which includes the Financial Report, Directors' Report, Remuneration Report and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (d) the person is the Chairperson voting an undirected proxy which expressly authorises the Chairperson to vote the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Angus Middleton as a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 11.11 of the Constitution and for all other purposes Angus Middleton, a Director who was appointed as a casual vacancy on 21 January 2014, retires, and being eligible, is re-elected as a Director.”

3. Resolution 3 – Re-election of Peter Buttigieg as a Director

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 11.3 of the Constitution and for all other purposes, Peter Buttigieg, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

4. Resolution 4 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution 4 by a person who may participate in the 10% Placement Facility issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 – Grant of Incentive Options to Mr Roger Mitchell

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant 6,000,000 Incentive Options, Mr Roger Mitchell (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Mitchell and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Grant of Incentive Options to Mr Peter Buttigieg

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant 4,000,000 Incentive Options, to Director, Mr Peter Buttigieg (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Peter Buttigieg and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Resolution 7 – Grant of Incentive Options to Mr Angus Middleton

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant 3,000,000 Incentive Options, to Director, Mr Angus Middleton (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Middleton and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 8 – Grant of Incentive Options to Mr Paul Buttigieg

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant 3,000,000 Incentive Options, to Director, Mr Paul Buttigieg (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Paul Buttigieg and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 9 – Grant of Incentive Options to Mr Michael Beer

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Directors to grant 4,000,000 Incentive Options, to the Company Secretary, Mr Michael Beer (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Beer and his nominees and a person who might obtain a benefit (except a benefit solely in their capacity as holder of ordinary securities) if the Resolution is passed and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. Resolution 10 – Ratification of issue of Consultant Securities

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) 7,500,000 Shares; and
- (b) 15,000,000 Consultant Options, each exercisable at \$0.025 on or before 31 July 2017,

*(together the **Consultant Securities**) to Resource Surveys Pty Ltd on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Resource Surveys Pty Ltd and any of his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 16 October 2014

By Order of the Board

Michael Beer B Bus (Acctcy), FCA, AGIA
Company Secretary

APHRODITE GOLD LIMITED

ACN 138 879 928

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the office of RMS Australia Pty Ltd, 116 Harrick Road, Keilor Park, Victoria on Tuesday 25th November 2014 at 11.00am (AEDT).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 1 and 5 to 9 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 1 and 5 to 9.

However, the prohibition does not apply if:

- (c) the proxy is the Chairperson; and
- (d) the appointment expressly authorises the Chairperson to exercise the proxy even if Resolutions 1 and 5 to 9 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the Annual Report can be found on the Company's website (www.aphroditegold.com.au) or obtained by contacting the Company on (03) 9600 3599.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2014;
- (b) ask questions about, or make comment on, the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report; and
- (d) ask the Auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the Auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's Auditor about the points in Section 3(d) above

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (**Director and Executive Remuneration Act**) which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new Sections 250U and 250Y, among others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2013 Annual General Meeting the remuneration report was approved by over 98% of shareholders.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next Annual General Meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chairperson will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

The Chairperson intends to exercise all undirected proxies in favour of Resolution 1. If the Chairperson of the Meeting is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolutions 2 and 3 – Re-election of Directors

5.1 Background

Clause 11.10 of the Constitution gives the Company in general meeting, and the Directors at any time, authority to appoint other Directors. Angus Middleton was appointed as a Director of the Company on 21 January 2014.

Clause 11.11 of the Constitution requires that any Director appointed as a casual vacancy must retire at the next annual general meeting, and is eligible for re-election but is not to be taken into account in determining the Directors who are to retire by rotation at the meeting in accordance with clause 11.3 of the Constitution.

Clause 11.3 of the Constitution provides that at the annual general meeting in every year one-third of the Directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director), must retire from office. A retiring Director is eligible for re-election.

Accordingly:

- (a) Angus Middleton will retire at the Meeting in accordance with clause 11.11 of the Constitution, and being eligible, seeks approval to be re-elected as a Director; and
- (b) Peter Buttigieg will retire at the Meeting in accordance with clause 11.3 of the Constitution, and, being eligible, seeks approval to be re-elected as a Director.

The Board (other than Mr Middleton) supports the re-election of Mr Middleton as a Director.

The Board (other than Mr Peter Buttigieg) supports the re-election of Mr Peter Buttigieg, as a Director.

5.2 Candidate Director's Profile – Angus Middleton (Resolution 2)

Appointed as a casual vacancy on 21 January 2014, Angus brings a range of skills to the Company.

Angus brings his unique set of Equities markets, management, exploration and development skills and experience to Aphrodite.

5.3 Candidate Director's Profile – Peter Buttigieg (Resolution 3)

Retiring by rotation under clause 11.3 of the Constitution, and being eligible, Mr Buttigieg is seeking reappointment as a Director of the Company.

Peter is a highly successful businessman who has built an international hotels booking system from scratch. Peter has a particularly enquiring approach to all issues and has significantly added to the rigour of sound decision making for the Company and has assisted the Company through the provision of a large Convertible note facility.

6. Resolution 4 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10%**

Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

While the Company has no current intention to use the 10% Placement Facility, the Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

The Company intends to continue to develop its existing Aphrodite Gold Project and may use the 10% Placement Facility to assist it to do so. The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 4.

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid ordinary shares that became fully paid in the 12 months;

- (C) plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid ordinary shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

6.3 Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of at least 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities (in the same class) over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities (in the same class) on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover

offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable 'A' in Listing Rule 7.1A2 | | Dilution | | |
|--|---------------------|--|---------------------------------|---|
| | | \$0.006 50% decrease in Issue Price | \$0.012 Current Market Price | \$0.024 100% increase in Issue Price |
| Current Variable A 245,975,919 Shares | 10% voting dilution | 24,597,592 Shares | 24,597,592 Shares | 24,597,592 Shares |
| | Funds raised | \$147,585 | \$295,171 | \$590,342 |
| 50% increase in current Variable A 368,963,878 Shares | 10% voting dilution | 36,896,388 Shares | 36,896,388 Shares | 36,896,388 Shares |
| | Funds raised | \$221,378 | \$442,757 | \$885,513 |
| 100% increase in current Variable A 491,951,838 Shares | 10% voting dilution | 49,195,184 Shares | 49,195,184 Shares | 49,195,184 Shares |
| | Funds raised | \$295,171 | \$590,342 | \$1,180,684 |

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is

assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is \$0.012, being the closing price of the Shares on ASX on 29th September 2014.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration in relation to costs associated with the acquisition of new resource assets associated with the Aphrodite Gold Project. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration on the Aphrodite Gold Project and/or an acquisition of new resource assets associated with the Aphrodite Gold Project (which may include costs associated with due diligence and engagement of advisors in assessing such assets) and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but are not limited to, rights issues or other issues in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (f) The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.
- (g) Further, if the Company is successful in acquiring new resources assets associated with the Aphrodite Gold Project, it is likely that the recipients under the 10% Placement Facility will be the vendors of the new resources assets.
- (h) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2013 annual general meeting.

- (i) In the 12 months preceding the date of this Notice, the Company issued a total of 22,500,000 Equity Securities which represent 9.4% of the total number of Equity Securities on issue at the commencement of this 12 month period. The Equity Securities issued in the preceding 12 months were as follows:

| Date of Issue | Number and class of Equity Securities and summary of the terms | Name of recipient, or basis on which recipient determined | Issue price of Equity Securities and discount to Market price on the trading day prior to the issue | Price, amount raised and use of funds or non-cash consideration and current value of that non-cash consideration |
|----------------------|--|--|--|---|
| 30 July 2014 | 7,500,000 fully paid ordinary Shares 15,000,000 Consultant Options exercisable at 2.5 cents on or before 31 July 2017 | Issued to Resource Surveys Pty Ltd, a Company associated with Mr Eduard Eshuys.* | Issued for nil consideration. | Issued in consideration for Mr Eshuys' appointment as a consultant and adviser to the Company. |

*Refer to Section 9 for further details.

- (j) The Company did not raise any funds from issues in the previous 12 months.
- (k) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

7. Resolutions 5 to 8 Grant of Incentive Options to Directors

7.1 Background

Resolutions 5 to 8 seek Shareholder approval pursuant to Listing Rule 10.11 for the grant of a total of 16,000,000 Incentive Options to the Directors (and/or their nominees) as follows:

- (a) Mr Roger Mitchell 6,000,000 Incentive Options;
- (b) Mr Peter Buttigieg 4,000,000 Incentive Options;
- (c) Mr Angus Middleton 3,000,000 Incentive Options; and
- (d) Mr Paul Buttigieg 3,000,000 Incentive Options;

The Company is a small listed company with limited funds, most of which are allocated to specific development activities. As a result, the Board has chosen to grant Incentive Options to the Directors as a key component of the incentive portion of their remuneration in order to retain the services of the Directors and to provide incentive linked to the performance of the Company.

Messrs Mitchell, Buttigieg and Buttigieg do not receive any director's fees for their services as Directors of the Company and Mr Middleton receives a director's fee of \$3,000 per month.

The Board considers that the experience of the Directors will greatly assist the development of the Company. As such, the Board believes that the number of Incentive Options to be granted to the Directors is commensurate with their value to the Company.

Given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of the Directors and the performance and value of the Company are closely related. As such, the Incentive Options granted will generally only be of benefit if the Directors perform to the level where the value of the Company increases sufficiently to warrant exercising the Incentive Options.

Resolutions 5 to 8 are ordinary resolutions.

7.2 Listing Rule 10.13 Disclosure and other relevant Information

For the purposes of Listing Rule 10.13, information regarding the grant of the Incentive Options to the Directors is provided as follows:

- (a) The Incentive Options will be granted to the Directors, Mr Roger Mitchell, Mr Peter Buttigieg, Mr Angus Middleton and Mr Paul Buttigieg (and/or their nominees).
- (b) The maximum number of Incentive Options the Company will grant to each of the Directors (and/or their nominees) under Resolutions 5 to 8 is as follows:
 - (i) Mr Roger Mitchell 6,000,000 Incentive Options;
 - (ii) Mr Peter Buttigieg 4,000,000 Incentive Options;
 - (iii) Mr Angus Middleton 3,000,000 Incentive Options; and
 - (iv) Mr Paul Buttigieg 3,000,000 Incentive Options.
- (c) The Company will grant the Incentive Options to the Directors no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Incentive Options will be granted for nil consideration. Accordingly no funds will be raised from the grant of the Incentive Options.
- (e) Each Incentive Option is exercisable at the Exercise Price (which will be set at the greater of \$0.025, or a 50% premium to the 5 day VWAP of Shares commencing on the day following the Meeting) on or before 31 July 2017. The Incentive Options are unlisted. Further terms and conditions of the Incentive Options are in Schedule 1.
- (f) A voting exclusion statement is included in the Notice.

8. Resolution 9 – Grant of Incentive Options to Mr Michael Beer

8.1 Background

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 for the grant of 4,000,000 Incentive Options to the Company Secretary, Mr Michael Beer (and/or his nominees).

The Company is a small listed company with limited funds, most of which are allocated to specific development activities. As a result, the Board has chosen to grant Incentive Options to Mr Beer as a key component of the incentive portion of his remuneration in order to retain his services and to provide incentive linked to the performance of the Company. Mr Beer receives a company secretary's fee of \$3,000 per month.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Although the grant of the Incentive Options under Resolution 9 would not result in the Company exceeding this 15% threshold, Shareholder approval is being sought by the Company pursuant to Listing Rule 7.1 to preserve its ability to use the 15% threshold exemption going forward.

Resolution 9 is an ordinary resolution.

8.2 Listing Rule 7.3 Disclosure

For the purposes of Listing Rule 7.3 information regarding the grant of the Incentive Options is Mr Beer is provided as follows:

- (a) The Incentive Options will be granted to the Company Secretary, Mr Michael Beer (and/or his nominees).
- (b) The maximum number of Incentive Options the Company will grant to Mr Michael Beer under Resolution 9 is 4,000,000 Incentive Options.
- (c) The Company will grant the Incentive Options no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that all of the Incentive Options will be granted on the same date.
- (d) The Incentive Options will be granted for nil consideration. Accordingly no funds will be raised from the grant of the Incentive Options.
- (e) Each Incentive Option is exercisable at the Exercise Price (which will be set at the greater of \$0.025 or a 50% premium to the 5 day VWAP of Shares commencing on the day following the Meeting) on or before 31 July 2017. The Incentive Options are unlisted. Further terms and conditions of the Incentive Options are in Schedule 1.
- (f) The grant of the Incentive Options will occur progressively.
- (g) A voting exclusion statement is included in the Notice.

9. Resolution 10 – Ratification of issue of Consultant Securities

9.1 General

On 30 July 2014, the Company issued 7,500,000 Shares and granted 15,000,000 Consultant Options to Resource Surveys Pty Ltd, a nominee of Mr Eduard Eshuys, in consideration for Mr Eshuys' appointment as a consultant and adviser to the Company.

The Consultant Securities were issued within the Company's Listing Rule 7.1 placement capacity without the need for Shareholder approval. A summary of Listing Rule 7.1 is provided in Section 8.1

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 10 seeks Shareholder approval for the ratification of the issue of the Consultant Securities pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 10 will be to restore the Company's ability to issue securities within the 15% capacity under Listing Rule 7.1 during the next 12 months, without obtaining prior Shareholder approval.

Resolution 10 is an ordinary resolution.

9.2 Listing Rule 7.5 Disclosure

For the purposes of Listing Rule 7.5 information regarding the issue of the Consultant Securities to Resource Surveys Pty Ltd is provided as follows:

- (a) 7,500,000 Shares and 15,000,000 Consultant Options were issued and granted.
- (b) The Consultant Securities were granted for nil consideration in consideration for Mr Eshuys' appointment as a consultant and adviser to the Company.
- (c) The Shares are all fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's other existing Shares on issue.
- (d) The Consultant Options are each exercisable at \$0.025 on or before 31 July 2017 and otherwise have the terms and conditions set out in Schedule 1.
- (e) The Consultant Securities were issued and granted to Resource Surveys Pty Ltd, a nominee of Mr Eduard Eshuys.
- (f) The Consultant Securities were issued for nil consideration. Accordingly no funds were raised from the issue of the Consultant Securities.
- (g) A voting exclusion statement is included in the Notice.

10. Definitions

\$ means Australian Dollars.

10% Placement Facility has the meaning in Section 6.1.

10% Placement Period has the meaning in Section 6.2(f).

AEDT means Australian Eastern Daylight Time.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report thereon, in respect to the financial year ended 30 June 2014.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the Auditor's report on the Financial Report.

Board means the Board of Directors.

Chairperson means the Chairperson of the Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company means Aphrodite Gold Limited ACN 138 879 928.

Constitution means the current constitution of the Company.

Consultant Option means an Option exercisable at \$0.025 on or before 31 July 2017 with the further terms and conditions in Schedule 1.

Consultant Securities has the meaning in Resolution 10.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a Director of the Company.

Directors' Report means the annual Directors' Report prepared under Chapter 2M of the Corporations Act for the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company.

Incentive Option means an Option exercisable at the greater of \$0.025, or a 50% premium to the 5 day VWAP of Shares commencing on the day following the Meeting on or before 31 July 2017 with the further terms and conditions in Schedule 1.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this Notice of Meeting.

Option means an option to acquire a Share and means a Consultant Option or an Incentive Option as the context requires.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the Remuneration Report of the Company in respect of the financial year ended 30 June 2014 contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Section means a Section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a Shareholder of the Company.

Trading Day means a day determined by the ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 – Terms and Conditions of Options

1. Exercise price

The exercise price of each Consultant Option is \$0.025.

The exercise price of each Incentive Option will be set at the greater of \$0.025, or a 50% premium to the 5 day VWAP of Shares commencing on the day following the Meeting.

(Exercise Price).

The Options have been issued on the following terms and conditions:

2. Expiry date

The expiry date of each Option is 31 July 2017 **(Expiry Date)**.

3. Entitlement

The Options entitle the holder to subscribe for one Share upon the exercise of each Option.

4. Exercise period

The Options are exercisable at any time on or prior to the Expiry Date.

5. Notice of exercise

The Options may be exercised by notice in writing to the Company **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.

7. Options not quoted

The Company will not apply to ASX for quotation of the Options.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

9. Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:

(a) issue the Share;

(b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC

a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (c) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than five days from the date of exercise of the Option.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

11. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

12. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

13. Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

14. Options not transferable

The Options are not transferable, except with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.

15. Lodgment instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.



APHRODITE GOLD LIMITED

ABN: 61 138 879 928

REGISTERED OFFICE:
116 HARRICK ROAD
KEILOR PARK VIC 3042



« REF No. »

«HOLDER_NAME»
«ADDRESS_LINE_1»
«ADDRESS_LINE_2»
«ADDRESS_LINE_3»
«ADDRESS_LINE_4»
«ADDRESS_LINE_5»

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535, APPECROSS WA 6953
AUSTRALIA
770 Canning Highway, APPECROSS WA 6153
AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: **AQQ**

Holder Number: «HOLDER_No.»

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID: «ONLINE PRX ID»

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11.00am on Tuesday 25 November 2014 at RMS Australia Pty Ltd, 116 Harrick Rd, Keilor Park and at any adjournment of that meeting.

Important – If the Chairperson of the Meeting is your proxy or is appointed your proxy by default

The Chairperson of the Meeting intends to vote all available proxies in favour of Resolutions 1 and 5 -9. If the Chairperson of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box on this form or online in relation to Resolutions 1 and 5 - 9, you will be authorising the Chairperson to vote in accordance with the Chairperson's voting intentions on Resolutions 1 and 5 - 9 even if Resolutions 1 and 5 - 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

| RESOLUTIONS | FOR | AGAINST | ABSTAIN* | RESOLUTIONS | FOR | AGAINST | ABSTAIN* |
|--|--------------------------|--------------------------|--------------------------|---|--------------------------|--------------------------|--------------------------|
| 1. Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6. Grant of Incentive Options to Mr Peter Buttigieg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Re-election of Angus Middleton as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 7. Grant of Incentive Options to Mr Angus Middleton | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Re-election of Peter Buttigieg as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 8. Grant of Incentive Options to Mr Paul Buttigieg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Approval of 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9. Grant of Incentive Options to Mr Michael Beer | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Grant of Incentive Options to Mr Roger Mitchell | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10. Ratification of issue of Consultant Securities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director Secretary

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 11.00am on Sunday 23 November 2014.



AQQPX1251114

1

1

AQQ

AQQPX1251114



Name:

()

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If you wish to appoint the chairperson of the Meeting as your Proxy please mark "X" in the box in Section A. Please also refer to Section B of this proxy form and ensure you mark the box in that section if you wish to appoint the Chairperson as your Proxy. If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

Email registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.